Action Item	7
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PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER		DATE	April 17, 2019
MOTOR CARRIER MATTER		DOCKET NO.	2019-2-E
UTILITIES MATTER	✓	ORDER NO.	2019-274

THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.

SUBJECT:

<u>DOCKET NO. 2019-2-E</u> - <u>Annual Review of Base Rates for Fuel Costs for South Carolina</u>
<u>Electric & Gas Company</u> - Staff Presents for Commission Consideration South Carolina Electric & Gas Company's Petition to Rehear or Reconsider Order No. 2019-229 with Respect to Rate PR-2 and, in the Alternative, Motion for Stay.

COMMISSION ACTION:

On March 27, 2019, in Order No. 2019-229, the Commission approved the Solar Business Alliance's Motion to Bifurcate certain matters for consideration in a separate docket and left the current avoided cost rates in place until we have ruled on those matters. Specifically, approving the request to bifurcate left the PR-2 rate decided in Docket No. 2018-2-E, which is last year's fuel case, in effect. That rate is currently under appeal by the Solar Business Alliance.

On April 1, 2019, SCE&G filed a Petition to Reconsider Order No. 2019-229. SCE&G maintains that leaving the old PR-2 rate could cause customers to bear the burden of excessive avoided costs, since avoided costs haven't been updated under this year's proceeding. In the alternative, SCE&G asks the Commission to impose a stay precluding future power purchase agreements to qualifying solar facilities under the current PR-2 rate until the Commission approves updated avoided costs.

The Solar Business Alliance responded, stating it does not oppose a temporary stay of the PR-2 rate schedule as long as qualifying facilities that negotiate avoided cost rates are guaranteed the right to revise those rates in the event that the Commission's decisions in Docket No. 2018-2-E is reversed on appeal, and the Commission, on remand, either disapproves elements of SCE&G's avoided cost calculations or approves a PR-2 rate which differs from the rates approved in that Docket.

In reply, SCE&G does not oppose the ability of PURPA qualifying facilities that execute a power purchase agreement during the suspension period to update the negotiated avoided cost rates under that condition.

Since neither the Solar Business Alliance nor SCE&G are opposed to suspending the current PR-2 rate schedule under the condition just mentioned, I move that we grant reconsideration in this docket and impose a stay precluding future power purchase agreements to qualifying solar facilities under the current PR-2 rate. Qualifying facilities may revise the avoided cost rates negotiated during this stay should the current PR-2 rate.

PRESIDING: Randall				SESSION: Re	<u>gular</u>	TIME:	2:00 p.m.	
	MOTION	YES	NO	OTHER				
BELSER		✓						
ERVIN		✓						
HAMILTON		✓						
HOWARD		✓						
RANDALL		✓						
WHITFIELD	✓	✓						
WILLIAMS		✓						
(SEAL)						RECORDE	D BY: <u>J</u>	. Schmieding